

# **APPENDIX A**

## APPENDIX A

### The Office's findings regarding Lindsey vs. claim 1 of the '151 Application.

'151 Application, Claim 1	The Office's Findings re: Lindsey
<p>[A] <i>1. An Internet-based transactional system</i></p>	<p>"Lindsey discloses buying and selling of items on the computer system." '820 BPAI Op. at 11.</p> <p>"In addition, we find that Lindsey discloses that the mainframe computer 10 is connected by a network 12 to remotely located gins and warehouses, and ... through the same or other types of networks to commodity buyer terminals." '820 BPAI Op. at 27-28.</p> <p>"Concerning the use of the Internet or a broadband network, the selection of a particular network architecture is not seen to provide a patentable distinction." '820 EXAMINER'S ANSWER at 7.</p>
<p>[B] <i>for establishing multiple participant accounts that can be debited or credited corresponding to funds used or generated by participant transactions in the transactional system, the transactional system clearing transactions by connecting a participant to a participant account and transferring funds from an account associated with a participant acting as a buyer in the transactional system to an account associated with a participant acting as a seller in the transactional system,</i></p>	<p>"From these teachings of Lindsey, we agree with the examiner that '[t]hose of ordinary skill in the art would have readily appreciated that electronic funds transfer in a trading system requires both the buyers and sellers have accounts and that the buyer's account be debited for the purchase made.' We find this to be supported by the disclosure in Lindsey ...." '820 BPAI Op. at 25.</p>
<p>[C] <i>wherein the transaction is based at least in part on the seller participant posting a unique item for sale in an ascending bid auction format and</i></p>	<p>"In Lindsey, buyers scan the system for lots offered by producers (col. 28, lines 48 and 49) ... " '820 BPAI Op. at 36.</p> <p>"[W]e find that Lindsey discloses the use of an auction. Specifically, Lindsey discloses allowing blind bidding on cotton for a period of 15 minutes." '820 BPAI Op. at 30.</p> <p>"From the disclosure of Lindsey ... we find that an artisan would have been motivated to trade, i.e., buy and sell non commodities, such as used goods or collectibles." '820 BPAI Op. at 9</p>
<p>[D] <i>the buyer participant authorizing a transfer of funds in response to winning the unique item for sale in the ascending bid auction format,</i></p>	<p>"[W]e find that Lindsey suggests providing the system with the ability to receive and process payments from buyers of goods." '820 BPAI Op. at 35.</p>
<p>[E] <i>the transactional system clearing the transaction by debiting the account associated with the buyer participant and crediting the account for the participant acting as the seller,</i></p>	<p style="text-align: center;">See element [B] above.</p>
<p>[F] <i>the transactional system comprising: (a) a computer system in communication with the Internet and capable of executing a plurality of substantially simultaneous processes;</i></p>	<p style="text-align: center;">See element [A] above.</p>
<p>[G] <i>(b) one or more processes executing on the computer system operable to perform the following: (i) establish multiple participant accounts based on information received from multiple participants, the multiple participant account balances capable of being debited or credited with funds used or generated with participant transactions in the</i></p>	<p style="text-align: center;">See element [B] above.</p>

151 Application, Claim	The Office's Findings re. Lindsey
transactional system;	
<b>[H]</b> (ii) initiate an ascending bid format auction instance based on information received from a seller participant, each auction instance describing an unique item offered for sale in an ascending bid auction format;	See element [C] above.
<b>[I]</b> (iii) connecting a buyer participant to at least one account maintained by the transactional system and associated with the buyer participant; and (iv) clearing the transaction between the buyer participant with the seller participant by debiting the account associated with the buyer participant and crediting the account for the seller participant,	See element [B] above.
<b>[J]</b> the transaction between the buyer participant and the seller participant being based at least in part on a result of the buyer participant winning the unique item in the ascending bid format auction instance initiated based on the information received the seller participant.	"Lindsey discloses allowing blind bidding on cotton for a period of 15 minutes. After the 15 minutes has passed, the computer closes the bidding and awards the cotton to the highest bidder ..." '820 BPAI Op. at 30.